Canadian Grain Commission

2013–14

Departmental Performance Report

The Honourable Gerry Ritz, P.C., M.P.,
Minister of Agriculture and Agri-Food

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Foreword

Departmental Performance Reports are part of the Estimates family of documents. Estimates documents support appropriation acts, which specify the amounts and broad purposes for which funds can be spent by the government. The Estimates document family has three parts.

Part I (Government Expenditure Plan) provides an overview of federal spending.

Part II (Main Estimates) lists the financial resources required by individual departments, agencies and Crown corporations for the upcoming fiscal year.

Part III (Departmental Expenditure Plans) consists of two documents. Reports on Plans and Priorities (RPPs) are expenditure plans for each appropriated department and agency (excluding Crown corporations). They describe departmental priorities, strategic outcomes, programs, expected results and associated resource requirements, covering a three-year period beginning with the year indicated in the title of the report. Departmental Performance Reports (DPRs) are individual department and agency accounts of actual performance, for the most recently completed fiscal year, against the plans, priorities and expected results set out in their respective RPPs. DPRs inform parliamentarians and Canadians of the results achieved by government organizations for Canadians.

Additionally, Supplementary Estimates documents present information on spending requirements that were either not sufficiently developed in time for inclusion in the Main Estimates or were subsequently refined to account for developments in particular programs and services.

The financial information in DPRs is drawn directly from authorities presented in the Main Estimates and the planned spending information in RPPs. The financial information in DPRs is also consistent with information in the Public Accounts of Canada. The Public Accounts of Canada include the Government of Canada Consolidated Statement of Financial Position, the Consolidated Statement of Operations and Accumulated Deficit, the Consolidated Statement of Change in Net Debt, and the Consolidated Statement of Cash Flow, as well as details of financial operations segregated by ministerial portfolio for a given fiscal year. For the DPR, two types of financial information are drawn from the Public Accounts of Canada: authorities available for use by an appropriated organization for the fiscal year, and authorities used for that same fiscal year. The latter corresponds to actual spending as presented in the DPR.

The Treasury Board *Policy on Management, Resources and Results Structures* further strengthens the alignment of the performance information presented in DPRs, other Estimates documents and the Public Accounts of Canada. The policy establishes the Program Alignment Architecture of appropriated organizations as the structure against which financial and non-financial performance information is provided for Estimates and parliamentary reporting. The same reporting structure applies irrespective of

whether the organization is reporting in the Main Estimates, the RPP, the DPR or the Public Accounts of Canada.

A number of changes have been made to DPRs for 2013–14 to better support decisions on appropriations. Where applicable, DPRs now provide financial, human resources and performance information in Section II at the lowest level of the organization's Program Alignment Architecture.

In addition, the DPR's format and terminology have been revised to provide greater clarity, consistency and a strengthened emphasis on Estimates and Public Accounts information. As well, departmental reporting on the Federal Sustainable Development Strategy has been consolidated into a new supplementary information table posted on departmental websites. This new table brings together all of the components of the Departmental Sustainable Development Strategy formerly presented in DPRs and on departmental websites, including reporting on the Greening of Government Operations and Strategic Environmental Assessments. Section III of the report provides a link to the new table on the organization's website. Finally, definitions of terminology are now provided in an appendix.

Minister's Message

I am pleased to submit to Parliament and Canadians the Canadian Grain Commission's (CGC) *Departmental Performance Report* for fiscal year 2013-14.

Throughout 2013-14, our Government continued to make significant progress on its commitment to modernize the Canadian grain sector. In December 2012, legislative amendments to the *Canada Grain Act* were passed as part of Bill C-45 (*Jobs and Growth Act, 2012*). The amendments and consequential amendments to the *Canada Grain Regulations* came into force on August 1, 2013. On March 26, 2014, the *Fair Rail for Grain Farmers Act*[i], was tabled in Parliament. As part of the Government's focus to address recent challenges with the transportation of grain by railcars, Bill C-30 contains amendments to the *Canada Transportation Act* and some amendments the *Canada Grain Act*. The amendments to the *Canada Grain Act* allow the CGC to regulate provisions in grain contracts between farmers and grain buyers to improve contract compliance; these provisions were brought into force on August 1, 2014.

I would like to take this opportunity to thank CGC employees for their hard work and commitment to helping make these important strides for the grain sector in 2013-14. Moving forward, the CGC will continue to modernize its activities and legislative framework to ensure the long-term success of Canada's grain quality assurance system.

This report details how the CGC used its resources from April 1, 2013 to March 31, 2014, to regulate grain handling and establish and maintain grain standards, while protecting the interests of producers and ensuring a dependable commodity for domestic and export markets.

The Honourable Gerry Ritz, P.C., M.P.,
Minister of Agriculture and Agri-Food

Chief Commissioner's Message

Since 1912, the Canadian Grain Commission (CGC) has served as the federal agency responsible for setting standards of quality and regulating Canada's grain handling system.

Amendments to the *Canada Grain Act* and updated user fees, that came into effect concurrently on August 1, 2013, resulted in the significant transformation of service delivery and a reorganized structure for the CGC during 2013-14. Over the past year, CGC employees have worked hard to update procedures and systems. During the transition, our clients continued to receive excellent service. While these were significant changes, the environment in which the CGC operates continues to change rapidly and the CGC will continue to adapt and adjust in order to remain relevant.

I am pleased to report that, once again, the CGC received an unqualified audit opinion on its annual financial statements. A copy of the audited financial statements[ii] is available on the CGC's website.

As Chief Commissioner, I am proud of the CGC's ongoing exemplary work to effectively meet the needs of producers, the industry and all Canadians in general. The CGC remains committed to working with stakeholders to ensure Canada's Grain Quality Assurance System builds on its reputation as the best in the world. I invite you to read this report to learn more about the CGC's accomplishments and how the organization carried out its mandate during the 2013-14 reporting period.

Elwin Hermanson
Chief Commissioner
Canadian Grain Commission

Section I: Organizational Expenditure Overview

Organizational Profile

Minister: The Honourable Gerry Ritz, P.C.

Institutional Head: Elwin Hermanson, Chief Commissioner

Ministerial portfolio: Agriculture and Agri-Food (AAF)

Enabling Instrument: *Canada Grain Act*[iii], R.S.C. 1985, c. G-10

Year established: 1912

Other: The CGC's head office is located in Winnipeg, Manitoba. The CGC currently operates two regional offices and ten service centres across Canada. Funding for CGC programs and activities is through a combination of revolving fund and appropriation sources.

Organizational Context

Raison d'être

The CGC is a federal government agency and administers the provisions of the *Canada Grain Act*. The CGC's **mandate** as set out in the *Canada Grain Act* is to, "in the interests of the grain producers, establish and maintain standards of quality for Canadian grain and regulate grain handling in Canada, to ensure a dependable commodity for domestic and export markets." The CGC's **vision** is to be "A leader in delivering excellence and innovation in grain quality and quantity assurance, research, and producer protection." The CGC reports to Parliament through the Honourable Gerry Ritz, **Minister of Agriculture and Agri-Food**.

Responsibilities

Under the *Canada Grain Act*, the CGC regulates the handling of 20 grains[iv] grown in Canada to ensure Canada's grain is safe, reliable and marketable, and Canadian grain producers are protected. The CGC is a third party agency in Canada's grain sector and is the official certifier of Canadian grain shipments. Through its activities, the CGC supports a competitive, efficient grain sector and upholds Canada's international reputation for consistent and reliable grain quality. To achieve its mandate, the CGC:

- regulates grain handling in Canada through the grain quality[v] and quantity assurance[vi] programs,
- carries out scientific research[vii] to understand all aspects of grain quality and grain safety and to support the grain grading system, and
- has implemented a number of producer protection programs[viii] and safeguards to ensure producers are properly compensated for the quality and quantity of grain delivered to licensed grain elevators and grain dealers. This includes the licensing and security program, the producer car allocation program, and the producer support program.

Additional information on the CGC's mandate and responsibilities[ix] is available on the CGC website.

Strategic Outcome and Program Alignment Architecture

1. Strategic Outcome: Canada's grain is safe, reliable and marketable and Canadian grain producers are protected

- **1.1 Program:** Quality Assurance Program
- **1.2 Program:** Quantity Assurance Program
- **1.3 Program:** Grain Quality Research Program
- **1.4 Program:** Producer Protection Program
  - **1.4.1 Sub-Program:** Licensing and Security Program
  - **1.4.2 Sub-Program:** Producer Car Allocation Program
  - **1.4.3 Sub-Program:** Producer Support Programs

Internal Services

Organizational Priorities

Priority	Type[1]	Strategic Outcome and Programs
1. Relevant positioning of CGC programs to deliver upon the CGC's strategic outcome	Previously committed to	This priority contributes to all of the CGC programs and the overall strategic outcome
Summary of Progress		
Ensuring the CGC remains relevant supports the continued competitiveness of Canadian grain in both domestic and international markets. During 2013-14, the focus of this priority was developing a sound regulatory framework. Legislation to amend the *Canada Grain Act* was introduced as part of Bill C-45, the *Jobs and Growth Act, 2012*[x], in October, 2012. The *Jobs and Growth Act, 2012* received royal assent on December 14, 2012. Amendments to the *Canada Grain Regulations* to align with the amended *Canada Grain Act* were then proposed. Most *Canada Grain Act* amendments, as well as consequential amendments to the *Canada Grain Regulations*, came into force on August 1, 2013. During 2013-14, the CGC focused a tremendous amount of effort on developing and implementing organizational design and new service delivery models to reflect the amended *Canada Grain Act*, amended *Canada Grain Regulations*, and streamlined CGC operations. To deliver upon this priority, the CGC worked in close collaboration with producers, industry stakeholders, Agriculture and Agri-Food Canada (AAFC), and other government departments and agencies. The legislative amendments and streamlined operations have reduced the regulatory burden and costs to producers and the grain industry by eliminating services that no longer need to be delivered by the CGC in today's grain sector. These changes will contribute to transforming the Canadian grain sector		

1. Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the RPP or DPR. If another type that is specific to the department is introduced, an explanation of its meaning must be provided.

to a more competitive market-oriented environment. While these amendments were an important first step towards aligning the *Canada Grain Act* with the needs of today's grain sector, the CGC will continue to evaluate opportunities to adjust programs, services and costs to remain relevant, efficient and innovative. Further information on this priority[xi] is available on the CGC website.

Priority	Type[2]	Strategic Outcome and Programs
2. Integrated people and business management	Previously committed to	This priority contributes to all of the CGC programs and the overall strategic outcome

Summary of Progress

In November 2010, the CGC began a project to update its cost recovery framework consistent with the requirements of the *User Fees Act*. In 2010 and 2011, extensive user fees consultations were conducted based on services required by the *Canada Grain Act* and the costs associated with those services. One of the major themes of feedback was that the *Canada Grain Act* and CGC services needed to be streamlined prior to updating user fees. Based on this feedback, the Government introduced amendments to the *Canada Grain Act* in October, 2012, to streamline the operations of the CGC (see organizational priority 1). User fees consultation and pre-proposal notification, based on updated fees under an amended *Canada Grain Act*, were completed in November, 2012. In February 2013, pursuant to the *User Fees Act*, the Minister of AAF tabled the CGC's *Proposal for User Fees and Service Standards* in Parliament. In addition, the CGC pre-published proposed user fees in the *Canada Gazette, Part I*. The CGC's user fees were published in the *Canada Gazette, Part II* in June 2013 and updated user fees came into force on August 1, 2013 concurrent with changes to the *Canada Grain Act*. Updated fees eliminate the CGC's dependence on annual ad hoc funding and provide the CGC with sufficient resources and a stable funding platform to provide its mandated services and deliver upon its strategic outcome. Updated fees will also create a more stable environment for integrated people and business management. Additional information on CGC user fees[xii] is available on the CGC website. The CGC continues to investigate, in collaboration with stakeholders, alternative funding structures that will ensure that CGC programs can continue to be provided in a financially equitable and sustainable manner.

2. Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the RPP or DPR. If another type that is specific to the department is introduced, an explanation of its meaning must be provided.

Risk Analysis

Key Risks

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Modernizing the legislative framework to meet the needs of Canadian producers and the grain industry	This was identified in the 2013-14 RPP and was successfully mitigated during the reporting period. The CGC focused efforts on eliminating and streamlining services no longer required in today's grain handling environment (see organizational priority 1). The following risk responses were used to successfully reduce exposure: • Change management plans were developed and incorporated into initiatives as required. Several employees shifted focus and became 100 percent dedicated to transformation initiatives, while others focused efforts on "mission critical" day to day operations and services. Initiatives were continuously monitored to ensure there was sufficient staff to plan and execute transformation and operational work simultaneously. Non critical projects and activities were stopped, delayed or decreased to ensure implementation of the legislative change that came into force on August 1, 2013 to coincide with the start of the new crop year. • The CGC worked closely with AAFC and other government departments to ensure the regulatory amendment process was completed in a timely manner. • The CGC collaborated closely with industry stakeholders while developing and implementing the regulatory and procedural changes to ensure a smooth transition. • Cross-divisional teams were established and project management systems and processes were used. • Systems and processes were adjusted and	• Linked to all CGC programs and the CGC's strategic outcome

	streamlined to be as efficient as possible. • Information, support programs and other resources were provided and are still being provided to CGC staff. • Senior management reviewed the risk exposure and mitigation strategies monthly to closely monitor the risk trends and make adjustments as required.	
Establishing appropriate fees and sustainable funding	This was identified in the 2013-14 RPP and was successfully mitigated during the reporting period. The following risk responses were used to successfully reduce exposure: • Several employees shifted focus and became 100 percent dedicated to the sustainable funding initiative. • The CGC worked closely with AAFC and other government departments to ensure the user fees amendment process (as per the *User Fees Act*) and the regulatory amendment process were completed in a timely manner. • Senior management reviewed the risk exposure and mitigation strategies monthly to closely monitor the risk trends and make adjustments as required.	• Linked to all CGC programs and the CGC's strategic outcome

The Canadian grain industry, the CGC, and the Grain Quality Assurance System (GQAS) operate in a climate of constant change. The CGC is continually adapting programs and services to assure consistent and reliable grain quality and grain safety that meets the needs of international and domestic markets and to ensure Canadian grain producers are protected. Risk management is an essential part of strategic planning and decision making at the CGC. Feedback from producers and grain handlers, domestic and international grain buyers and processors, and other government organizations has proven to be a reliable early indicator of risk arising from developments in our external environment.

The CGC has an established process in place to identify, monitor, mitigate and manage corporate level risks. Strategic planning for the upcoming fiscal year includes preparation of an extensive environmental scan, broad and inclusive identification of emerging threats and/or opportunities for improvement, an internal human resources scan and workforce analysis, and the development of a corporate risk profile summary to identify areas of greatest risk exposure to the CGC in delivering its strategic outcome and programs. Corporate level risks and mitigation strategies are reviewed during the strategic planning process and key risks for the upcoming fiscal year are identified based on current internal and external

factors. CGC senior management reviews the key corporate risks on a quarterly basis to adjust and/or identify additional mitigation strategies and/or contingency plans.

Actual Expenditures

Budgetary Financial Resources (dollars)

2013–14 Main Estimates	2013–14 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	Difference (actual minus planned)
70,020,559	70,020,559	101,594,639	78,531,577	8,511,018

Human Resources (Full-Time Equivalents [FTEs])

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
513	456	(57)

Budgetary Performance Summary for the Strategic Outcome and Programs (dollars)

Strategic Outcome, Programs and Internal Services	2013–14 Main Estimates	2013–14 Planned Spending	2014–15 Planned Spending	2015–16 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	2012–13 Actual Spending (authorities used)	2011–12 Actual Spending (authorities used)
Strategic Outcome 1: Canada's grain is safe, reliable and marketable and Canadian grain producers are protected								
Quality Assurance Program	36,599,149	36,599,149	38,428,772	32,876,490	54,034,094	36,108,210	40,035,541	40,834,642
Quantity Assurance Program	7,406,020	7,406,020	4,665,784	3,193,300	12,957,276	10,988,215	12,520,212	13,177,471
Grain Quality Research Program	7,244,101	7,244,101	7,978,107	6,582,955	11,286,376	12,091,194	11,055,383	10,214,676
Producer Protection Program	1,736,082	1,736,082	1,520,937	1,265,212	2,733,392	3,614,362	3,711,368	3,946,652
Subtotal	**52,985,352**	**52,985,352**	**52,593,600**	**43,917,957**	**81,011,138**	**62,801,981**	**67,322,504**	**68,173,441**
Internal Services Subtotal	17,035,207	17,035,207	17,850,598	16,619,013	20,583,501	15,729,596	15,049,754	13,720,678
Total	**70,020,559**	**70,020,559**	**70,444,198**	**60,536,970**	**101,594,639**	**78,531,577**	**82,372,258**	**81,894,119**

Operational spending followed a consistent trend for fiscal years 2011-12 and 2012-13. Fiscal year 2013-14 and 2014-15 are transition years for the CGC as a result of updates to user fees and amendments to the *Canada Grain Act* that came in to effect concurrently on August 1, 2013. In response to both the legislative amendments and restructured user fees, the CGC's workforce, organizational design and operations were significantly adjusted during 2013-14. Planned spending for fiscal year 2015-16 represents CGC spending post-legislative change and revised user fees.

2013-14 planned spending ($70.021 million) is reflective of approved authorities at publication of the CGC's 2013-14 RPP. 2013-14 total authorities ($101.564 million) includes planned spending identified in the RPP plus approvals subsequent to its publication which includes:

- $15.397 million in employee termination benefits funding and in-year transfers, and
- authority to access accumulated surplus of $16.177 million for the purpose of supporting operations and severance payments.

Significant organizational change during the 2013-14 fiscal year resulted in actual spending ($78.532 million) being $23.063 less than total authorities ($101.595) due to:

- reduction in the use of employee termination benefits funding and in-year transfers of $2.828 million with $1.686 million reprofiled to 2014-15;
- reduction to use of accumulated surplus of $8.809 million due to higher than expected revenues received; and
- reduction in operational spending of $11.424 million primarily due to CGC staff departures prior to changes to the *Canada Grain Act* coming into force, planned staffing being delayed or cancelled, and reduced spending on capital and professional services.

Spending on internal services is higher in 2012-13, 2013-14, and 2014-15 primarily because additional internal services support was, and continues to be, required for work related to legislative amendments, transitioning to a sustainable funding model, and evolving service delivery models. In addition, human resource costs previously funded by AAFC are now being funded by the CGC. Fiscal year 2014-15 will be the first full year for the CGC under its new user fees structure.

Alignment of Spending With the Whole-of-Government Framework

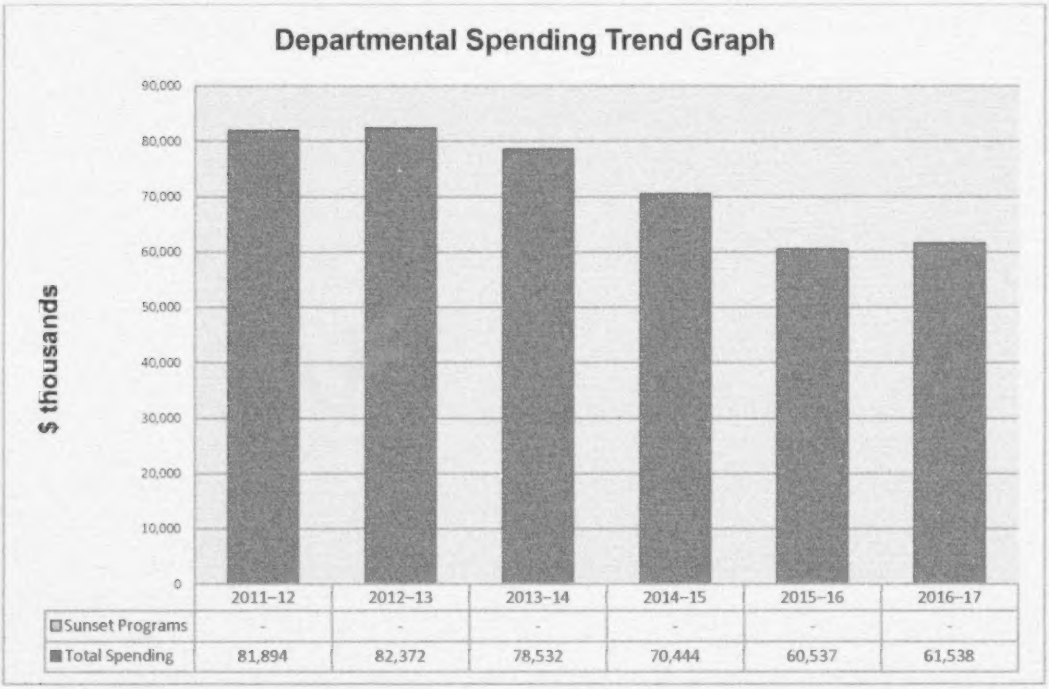
Alignment of 2013–14 Actual Spending With the Whole-of-Government Framework[xiii] (dollars)

Strategic Outcome	Program	Spending Area	Government of Canada Outcome	2013–14 Actual Spending
1. Canada's grain is safe, reliable and marketable and Canadian grain producers are protected	1.1 Quality Assurance Program	Economic Affairs	An innovative and knowledge-based economy	36,108,210
	1.2 Quantity Assurance Program	Economic Affairs	An innovative and knowledge-based economy	10,988,215
	1.3 Grain Quality Research Program	Economic Affairs	An innovative and knowledge-based economy	12,091,194
	1.4 Producer Protection Program	Economic Affairs	A fair and secure marketplace	3,614,362

Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending	Total Actual Spending
Economic Affairs	52,985,352	62,801,981
Social Affairs	0	0
International Affairs	0	0
Government Affairs	0	0

Departmental Spending Trend



The Spending Trend Graph shows CGC actual spending (2011-12 through 2013-14) and planned spending (2014-15 through 2016-17). Actual spending was consistent in 2011-12 and 2012-13. During 2013-14, the CGC completed consultations on updated user fees based on streamlined CGC operations and amendments to the *Canada Grain Act*. Fiscal years 2013-14 and 2014-15 are transition years for the CGC as a result of updates to user fees and amendments to the *Canada Grain Act* that came into effect concurrently on August 1, 2013. Funding for fiscal years 2011-12, 2012-13, 2013-14, and 2014-15, included a combination of an ongoing appropriation, ad hoc appropriation and authority to re-spend revenues collected from fees. Planned spending for fiscal years 2015-16 and 2016-17 is based on operations under an amended *Canada Grain Act* and updated user fees. Updated CGC user fees will eliminate the requirement for annual ad hoc funding going forward. It is anticipated the CGC's planned spending will stabilize at approximately $60.0 million. This will be funded by annual appropriation of $5.4 million and annual user fees revenue of approximately $54.6 million. It is important to note that CGC revenues and expenditures are dependent on annual grain volumes and crop quality that can fluctuate considerably from year to year, and are not fully known prior to commencement of the fiscal year. These factors can result in significant variances between CGC revenue and expenditure projections and actual results.

Estimates by Vote

For information on the CGC's organizational Votes and statutory expenditures, consult the *Public Accounts of Canada 2014* on the Public Works and Government Services Canada website.[xiv]

Section II: Analysis of Programs by Strategic Outcome

Strategic Outcome: Canada's grain is safe, reliable and marketable and Canadian grain producers are protected

Program 1.1: Quality Assurance Program

Description

Canada's Grain Quality Assurance System (GQAS) assures consistent and reliable grain quality that meets the needs of international and domestic markets. Daily provision of grain inspection and grading services as mandated by the *Canada Grain Act* as well as strong scientific and technical support programs and services are integral components to the overall delivery of an effective GQAS. Canada's GQAS is continually adapted to the end-use needs of domestic and international buyers of Canadian grain, and to the ongoing structural changes within the grain industry to maintain Canada's reputation as a consistent supplier of quality grain. An effective GQAS is a key factor in permitting Canadian exporters to market successfully in competitive international grain markets and is essential for producers in order to realize maximum value from their grain. The quality assurance program is funded by a combination of revolving fund revenue and appropriations.

Budgetary Financial Resources (dollars)

2013–14 Main Estimates	2013–14 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	2013–14 Difference (actual minus planned)
36,599,149	36,599,149	54,034,094	36,108,210	(490,939)

Human Resources (Full-Time Equivalents [FTEs])

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
274	250	(24)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Consistent and reliable grain quality and grain safety assurance to meet the needs of domestic and international markets	Number of justified cargo complaints due to a breakdown in CGC quality and/or safety assurance	Zero	Zero
	Number of instances where buyers are dissatisfied with CGC standards, methods or procedures used to ensure a safe and dependable commodity for domestic and export markets	Zero	Zero

Performance Analysis and Lessons Learned

The CGC continued to provide all inspection services in accordance with the CGC's quality management system ISO 9001:2008 Standards to ensure consistent and reliable quality assurance of Canadian grain shipments. The CGC certified the quality of 2,265 cargoes representing 28,581,751 tonnes of Canadian export grain. The CGC investigated complaints from buyers regarding nine of those cargoes. Upon thorough investigation of the loading process, including analysis of cargo samples and vessel loading documentation, the CGC's Chief Grain Inspector concluded that none of the complaints were justifiable.

During 2013-14, adjusting and adapting the quality assurance program to align with amendments to the *Canada Grain Act* was a major focus of this program. Amendments were focused on streamlining service delivery and removing services no longer necessary to meet the program expected result. This included moving responsibility for inward inspection at licensed terminal elevators from the CGC to the private sector; eliminating the Grain Appeal Tribunal and establishing a process where, in the event of a disagreement between a shipper and a licensed terminal elevator, final grade and dockage determination would rest with the office of the Chief Grain Inspector for Canada; providing an oversight role for the CGC in the collection of inward inspection data; moving responsibility for inspection of domestic laker shipments from the CGC to the private sector; and establishing recourse mechanisms if terminal elevator operators do not inspect grain as required under the amended legislation. The CGC worked closely with producers, industry stakeholders, AAFC, and other government departments and agencies to ensure a smooth transition.

As of August 1, 2013 funding for this program shifted from a combination of user fees revenue (revolving fund revenue) and appropriations to user fees revenue only as a result of the CGC's sustainable funding initiative. Additional information on the activities and services that contribute to the Quality Assurance Program[xv] is available on the CGC website.

Program 1.2: Quantity Assurance Program

Description

The Canadian grain quantity assurance system assures the weight of grain loaded into or discharged from conveyances and in storage in the licensed terminal and transfer elevator system to meet the requirements of the grain industry from producers to customers. Daily provision of grain weighing services as mandated by the *Canada Grain Act* forms a major part of the quantity assurance system. To maintain relevance and to address constantly changing industry demands, ongoing technical support is provided in support of the grain quantity assurance system. The quantity assurance program is funded by a combination of revolving fund revenue and appropriations.

Budgetary Financial Resources (dollars)

2013–14 Main Estimates	2013–14 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	2013–14 Difference (actual minus planned)
7,406,020	7,406,020	12,957,276	10,988,215	3,582,195

Human Resources (Full-Time Equivalents [FTEs])

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
55	44	(11)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Consistent and reliable quantity assurance of Canadian grain shipments	Number of justified cargo complaints due to a breakdown in CGC assessment of quantity	Zero justifiable cargo complaints	Zero

Performance Analysis and Lessons Learned

The CGC continued to deliver all weighing services as per ISO 9001:2008 Standards to ensure consistent and reliable quantity assurance of Canadian grain shipments and to meet the legislative requirements of the *Canada Grain Act*.

Amendments to the *Canada Grain* Act, effective August 1, 2013, streamlined service delivery and removed CGC services no longer necessary to meet program expected results. This included moving responsibility for inward weighing at terminal elevators and weighing of domestic lakers from the CGC to the private sector, as well as removing the requirement for primary and terminal elevator weigh-overs. In addition, CGC quantity assurance for export shipments fully transformed to a Weighing Oversight and Certification Program (WOCP). This included the implementation of Automated Weight Recording and Playback System (AWRAPS) technology at export positions. WOCP and the implementation of AWRAPS commenced during 2012-13. The CGC worked closely with producers, industry stakeholders, AAFC, and other government departments and agencies to ensure a smooth transition. Adjusting and adapting the Quantity Assurance Program to align with amendments to the *Canada Grain Act* and transforming to WOCP for export shipments will continue to be a focus of this program in 2014-15.

As of August 1, 2013 funding for this program shifted from a combination of user fees revenue (revolving fund revenue) and appropriations to user fees revenue only as a result of the CGC's sustainable funding initiative. Additional information on the activities and services that contribute to the Quantity Assurance Program[xvi] is available on the CGC website.

Program 1.3: Grain Quality Research Program

Description

The *Canada Grain Act* requires the CGC to undertake, sponsor and promote research related to grains. The CGC conducts research in support of the GQAS to address emerging issues and permit the effective marketing of Canadian grain in the interests of producers and the Canadian grain industry. The CGC's Grain Research Laboratory (GRL) researches methods to measure grain quality, new quality factors, and new grain standards. Grain quality research supports the continual improvement of the GQAS. The grain quality research program is funded by appropriations.

Budgetary Financial Resources (dollars)

2013–14 Main Estimates	2013–14 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	2013–14 Difference (actual minus planned)
7,244,101	7,244,101	11,286,376	12,091,194	4,847,093

Human Resources (Full-Time Equivalents [FTEs])

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
46	44	(2)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Scientific information is available to support and inform GQAS decision making	Number of instances where timely and appropriate scientific information is not available to support and inform GQAS decision making	Zero instances	Zero
Domestic and international marketers, buyers, and processors have accurate and appropriate scientific information on the quality	Number of instances where domestic and international marketers, buyers, and processors do not have access to accurate and	Zero instances	Two

and safety of Canadian grain	appropriate scientific information on the quality and safety of Canadian grain		
Threats to Canada's GQAS from registration of new varieties are minimized	Number of complaints from end-users of Canadian grain on the quality of newly registered varieties	Zero complaints	Zero

Performance Analysis and Lessons Learned

During 2013-14, a major focus of the Grain Quality Research Program was adjusting and adapting research activities to support amendments to the *Canada Grain Act* and to streamline the GRL. There were two instances (related to gluten strength[xvii]) where appropriate scientific information on grain quality was not available to stakeholders. Grain varieties with low gluten strength in the CWRS class were confirmed or identified and results were presented to stakeholders for formulating solutions. In addition, new breeder lines with low gluten strength have been identified in wheat variety registration trials thus preventing them from being registered or getting into the variety eligibility list for the CWRS class.

The GRL successfully conducted research as recommended by the Western Standards Committee (WSC) and the Eastern Standards Committee (ESC) in support of grade specifications and the grading system and provided information to facilitate WSC recommendations[xviii] and ESC recommendations[xix].

The GRL's Crops Section scientifically assessed the quality of the 2013 Canadian grain harvest, assessed how grading factors affect end-use qualities, researched new uses for Canadian grains, and assessed new and improved methods for evaluating and measuring end-use quality factors for all grains. In addition, new varieties were assessed for quality as part of the variety registration process. This research continues to be a significant factor in permitting effective marketing of Canadian grains and facilitates end-use diversification of Canadian grains.

The GRL's Technologies Section continued efforts to study and develop technologies and methods to assess the quality and safety of Canadian grains. Research efforts are aimed at developing and implementing new and improved methods for evaluating and measuring grain quality and grain safety to increase efficiency, reduce costs and enhance the testing capabilities of the CGC and the Canadian grain industry.

As of August 1, 2013 funding for this program shifted from appropriations only to a combination of user fees revenue and appropriations as a result of the CGC's sustainable funding initiative. Going forward,

the CGC will continue to manage and allocate GRL resources to respond to testing and monitoring requirements under the Quality Assurance Program and to undertake, sponsor and promote fundamental and/or long term research in support of the GQAS. Additional information on the Grain Quality Research Program[xx] is available on the CGC website.

Program 1.4: Producer Protection Program

Description

The CGC is mandated to serve producer interests by upholding and administering the *Canada Grain Act* and as such has implemented a number of programs and safeguards to ensure the fair treatment of Canadian grain producers. These include the licensing and security program, allocation of producer cars for producers and producer groups that wish to ship their own grain, and producer liaison measures including a grain grade appeal system. In addition, the CGC collects and updates grain quality data and grain handling information to facilitate producer sales and marketing decisions. The producer protection program is funded by a combination of revolving fund revenue and appropriations.

Budgetary Financial Resources (dollars)

2013–14 Main Estimates	2013–14 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	2013–14 Difference (actual minus planned)
1,736,082	1,736,082	2,733,392	3,614,362	1,878,280

Human Resources (Full-Time Equivalents [FTEs])

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
13	28	15

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Risk to producers of not receiving fair compensation for their grain is mitigated	Percentage of producers who agree that CGC producer protection activities help to reduce the risk of not being fairly compensated for grain delivered into the licensed grain handling system	Baseline = 90 percent based on 2010 Canadian Grain Commission Producers Satisfaction Survey conducted by IPSOS Reid	Results are based on a triennial survey. Plans to conduct a survey in 2013-14 were put on hold due to other priorities. The next survey is planned for 2015-16.
Producers are aware of CGC producer protection	Percentage of producers who are aware of CGC producer protection	Baseline = 60 percent based on 2010 Canadian Grain Commission	Results are based on a triennial survey. Plans to conduct a survey in 2013-

programs and services	activities	Producers Satisfaction Survey conducted by IPSOS Reid	14 were put on hold due to other priorities. The next survey is planned for 2015-16.

Performance Analysis and Lessons Learned

Planned spending and planned FTE amounts for this program do not include amounts for the Producer Support Programs Sub-Program. Amounts in support of the Producer Support Programs Sub-Program were reported in other programs in the RPP. Actual spending and FTEs for the Producer Support Programs Sub-Program were $1.936 million and 15 FTEs respectively. This accounts for the significant variance between planned and actual results at the program level.

During 2013-14, the CGC focused efforts on adjusting and adapting activities within this program in line with recent amendments to the *Canada Grain Act*. The CGC continued communication efforts to ensure producers are aware of their rights under the amended *Canada Grain Act* and to increase awareness of CGC producer protection activities and services. The CGC responded to all inquiries from producers and responded to all producer complaints related to compensation received for the quality and/or quantity of grain delivered within the licensed grain handling system. The CGC continued to consult with and evaluate feedback from producers on the services provided under this program.

On March 26, 2014, the *Fair Rail for Grain Farmers Act*,[xxi] was tabled in Parliament. Bill C-30 contains amendments to the *Canada Transportation Act* and some amendments to the *Canada Grain Act*. The amendments to the *Canada Grain Act* state that the CGC may regulate provisions in grain contracts between farmers and grain buyers. Specifically, these new measures are intended to address non-compliance with contracts between grain companies and farmers, and clarify penalties for non-performance. Consequential amendments to the *Canada Grain Regulations* came into effect on August 1, 2014.

As of August 1, 2013 funding for this program shifted from a combination of user fees revenue and appropriations to user fees revenue only as a result of the CGC's sustainable funding initiative.

Sub-Program 1.4.1: Licensing and Security

Description

Licensing is a requirement of the *Canada Grain Act*. The CGC licenses and regulates primary, process, terminal, and transfer elevators as well as grain dealers to protect producers and maintain standards of quality for Canadian grain. Licensed elevators and grain dealers are required to post security to cover their liabilities to producers in the event of a company default. The licensing requirements also ensure that producers who deliver to a primary elevator can access their right to be paid on the basis of grade and dockage that is determined by a CGC inspector, rather than by the grain handler.

Budgetary Financial Resources (dollars)

2013–14 Planned Spending	2013–14 Actual Spending	2013–14 Difference (actual minus planned)
1,468,992	1,419,928	(49,064)

Human Resources (FTEs)

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
11	11	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Risks to producers of not being properly compensated for grain delivered to a CGC licensee is mitigated	Percentage of producers who agree that the CGC's licensing and security program reduces the risk of not being properly compensated for grain delivered into the licensed grain handling system	75% (based on a survey of producers to be conducted every three years)	Results are based on a triennial survey. Plans to conduct a survey in 2013-14 were put on hold due to other priorities. The next survey is planned for 2015-16.

Performance Analysis and Lessons Learned

As of March 31, 2014, the CGC had issued licences for 334 primary elevators, 44 process elevators, 29 terminal elevators, and 81 grain dealers. As a result of amendments to the *Canada Grain Act*, transfer elevators were reclassified to terminal elevators effective August 1, 2013. The CGC continues to investigate reports of unlicensed companies to determine if they require licensing under the *Canada Grain Act*. In cases where the CGC has determined a licence is required, the licensing process has been initiated.

Reports and business records from all licensees were reviewed and 18 licensees were audited by the CGC. The CGC continued to refine its processes for reviewing and monitoring licensees, scheduling audits, and for determining other courses of action. CGC staff responded to reported instances of licensing non-compliance. During 2013-14, compensation was finalized with respect to a licensee that failed to meet producer payment obligations in the prior fiscal year. Total compensation through security posted with the CGC to eligible producers for amounts owed was 100 percent. During 2013-14,

there were zero licensees that failed to meet producer payment obligations. Recent *Canada Grain Act* amendments allow the CGC to implement an insurance-based security program for CGC licensees with the goal of providing cost-effective coverage for producers. While it was planned to have a new insurance-based security model in place during the 2013-14 fiscal year, this is no longer being implemented and the current model will remain in place. The CGC will continue monitoring activities to mitigate non-payment risks to producers and will continue to investigate opportunities to streamline and reduce costs associated with this program.

Sub-Program 1.4.2: Producer Car Allocation

Description

Pursuant to the *Canada Grain Act* and *Canada Grain Regulations*, the CGC provides and makes available an alternate grain delivery mechanism for producers and producer groups that wish to ship their own grain by railcar. The CGC has sole responsibility for the allocation of producer cars for all grains. The CGC works closely and cooperatively with the grain industry and the railways in an effort to ensure that producer car orders are filled in a timely manner.

Budgetary Financial Resources (dollars)

2013–14 Planned Spending	2013–14 Actual Spending	2013–14 Difference (actual minus planned)
267,090	258,169	(8,921)

Human Resources (FTEs)

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
2	2	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Producers are able to bypass the primary elevator system and ship grain to port position or another destination of their choosing	The number of formal justifiable complaints related to producer car access and availability	Zero	Zero

Performance Analysis and Lessons Learned

The CGC continued communication efforts to ensure producers and producer groups are aware of the producer car program and the steps involved in applying for a producer car if they wish to ship their own grain by railcar. The CGC received and processed applications from 18,361 producers for producer cars during 2013-14. This is significantly higher than previous years (e.g. 2011-12 and 2012-13 producer car applications were 14,300 and 10,770 respectively). The CGC responded to all inquiries and concerns with respect to the administration of the allocation of producer cars. There were zero formal justifiable complaints during 2013-14.

Sub-Program 1.4.3: Producer Support Programs

Description

The CGC has implemented several activities to ensure producers are properly compensated for the quality of grain delivered and shipped. These activities are not material enough to be considered independently. They include the submitted samples program, the harvest sample program, re-inspection of samples on producer request, and investigation of quality and dockage complaints. In addition, the CGC continually collects and updates grain quality data and grain handling information and makes it available to producers and other interested parties to facilitate producer sales and marketing decisions.

Budgetary Financial Resources (dollars)

2013–14 Planned Spending	2013–14 Actual Spending	2013–14 Difference (actual minus planned)
Amounts in support of this sub-program are reported in other programs	1,936,265	1,936,265

Human Resources (FTEs)

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
FTEs in support of this sub-program are reported in other programs	15	15

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results

Risk to producers of not receiving fair compensation for the quality of grain delivered into the licensed grain handling system is mitigated	Percentage of producers who agree that access to CGC third party quality information reduces their risks of not receiving fair compensation for the quality of their grain upon delivery into the licensed grain handling system	70% (based on a survey of producers to be conducted every three years)	Results are based on a triennial survey. Plans to conduct a survey in 2013-14 were put on hold due to other priorities. The next survey is planned for 2015-16.

Performance Analysis and Lessons Learned

The CGC has set up an information and compliance framework to safeguard fair and equitable grain transactions for producers. Communication efforts continued to ensure producers are aware of the producer support programs available to them under this sub-program.

The CGC has a complaints protocol that outlines the process to be followed when responding to producer complaints and investigating violations of the *Canada Grain Act*. The protocol acts as a guide to ensure the CGC responds appropriately and consistently to all producer concerns. The licensing requirements of the *Canada Grain Act* also ensure that producers who deliver to a licenced primary elevator can access their right to be paid on the basis of grade and dockage that is determined by a CGC inspector, rather than by the grain handler. During 2013-14, grain producers submitted 214 samples to the CGC for quality determination under "subject to inspector's grade and dockage". In addition, 1,312 samples were submitted to the CGC for grading by producers (submitted samples).

The CGC continued to collect and update statistics[xxii] on grain quality and grain handling and made it available to producers and other interested parties to facilitate producer sales and marketing decisions. During 2013-14, the CGC focused efforts on ensuring that statistical data continues to be captured post legislative change. Data systems were updated to reflect legislative amendments that came into effect August 1, 2013 and the CGC worked extensively with licensees to ensure statistical reporting was accurate. Significant challenges were overcome to maintain continuity of regularly released statistics to producers and other data users. The CGC will continue efforts to maintain continuity in data collection and dissemination in efficient and cost-effective ways.

Internal Services

Description

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; Acquisition Services; and Other Administrative Services. Internal Services include only those activities and resources that apply across an organization and not to those provided specifically to a program.

Budgetary Financial Resources (dollars)

2013–14 Main Estimates	2013–14 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	2013–14 Difference (actual minus planned)
17,035,207	17,035,207	20,583,501	15,729,596	(1,305,611)

Human Resources (FTEs)

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
126	89	(37)

Performance Analysis and Lessons Learned

Internal Services include only those activities and resources that apply across an organization and not those provided specifically to a program. Because internal services are enabling activities, success can be measured by tracking results against organizational and government-wide priorities. During 2013-14, a key focus of Internal Services was providing support with respect to the CGC's organizational priorities identified in Section I. Updating the CGC's legislative framework and transitioning to a sustainable funding model required significant internal services support. This included support with respect to adjusting and streamlining organizational design and activities to be as efficient as possible, as well as providing tools and resources to assist staff during this time of change. These efforts will continue in 2014-15.

In the spring of 2013, the Clerk of the Privy Council launched Blueprint 2020[xxiii]. Departments were asked to begin discussions within their organizations to consider how they could change to meet the future demands on their organizations and the public service as a whole. The CGC had already initiated the change process as a result of amendments to the *Canada Grain Act* and updated user fees. During 2013-

14, the CGC implemented extensive changes in a short period of time. The CGC will continue to adapt internal and external programs and services to achieve the organizational goals, as well as contribute to the Destination 2020[xxiv] action plan.

Section III: Supplementary Information

Financial Statements Highlights

Canadian Grain Commission
Condensed Statement of Operations and Departmental Net Financial Position
(unaudited)
For the Year Ended March 31, 2014
(dollars)

	2013–14 Planned Results	2013–14 Actual	2012–13 Actual	Difference (2013–14 actual minus 2013–14 planned)	Difference (2013–14 actual minus 2012–13 actual)
Total expenses	66,789,001	56,589,945	97,665,769	(10,199,056)	(41,075,824)
Total revenues	46,187,576	53,165,982	45,733,739	6,978,406	7,432,243
Net cost of operations before government funding and transfers	20,601,425	3,423,963	51,932,030	(17,177,462)	(48,508,067)
Departmental net financial position	16,791,227	31,518,598	(19,680,196)	14,727,371	51,198,794

Total expenses

Total expenses for the CGC were $56.6 million in 2013-14, a decrease of $41.1 million over the previous year's expenditures of $97.7 million and a decrease of $10.2 million over planned results. This is mainly due to a reduction of $40.0 million in salaries and associated employee benefits of a reduced workforce due to the amendments to the *Canada Grain Act*. 2012-13 expenses include an accrual of $15.9 million in support of employee termination benefits for employees affected by legislative change. 2013-14 operational expenses were consistent with 2012-13 operational expenses. 2013-14 total expenses were $10.2 million less than 2013-14 planned results primarily due to CGC employee departures occurring earlier in the fiscal year than anticipated, planned staffing being delayed or cancelled, and reduced spending on capital and professional services.

Total revenues

Total revenues exceeded planned results in both 2013-14 and 2012-13 as a result of higher than anticipated grain volumes. Effective August 1, 2013, legislative amendments and revised user fees came

into force. For example, services such as inward inspection and weighing were eliminated. As a result of amended user fees and amended legislation, volumes and associated revenues are not comparable between years.

Net cost of operations before government funding and transfers

With amended legislation and revised user fees coming into force on August 1, 2013, the CGC's ad hoc appropriation decreased from $26.8 million in 2012-13 to $16.8 million in 2013-14. The CGC received an additional $12.6 million in 2013-14 to support employee termination benefits which was accrued in 2012-13. Access to accumulated surplus increased by $0.7 million in 2013-14.

Departmental net financial position

The CGC net financial position for 2013-14 was a surplus of $31.5 million. As discussed above, this is mainly due to the implementation of a reduced workforce as a result of amendments to the *Canada Grain Act,* revised user fees coming into effect in 2013-14, amounts received in 2013-14 for employee termination benefits that were accrued in 2012-13, and higher than anticipated grain volumes.

Canadian Grain Commission
Condensed Statement of Financial Position (unaudited)
As at March 31, 2014
(dollars)

	2013–14	2012–13	Difference (2013–14 minus 2012–13)
Total net liabilities	12,738,810	35,321,571	(22,582,761)
Total net financial assets	10,123,078	7,753,975	2,369,103
Departmental net debt	2,615,732	27,567,596	(24,951,864)
Total non-financial assets	8,261,260	8,233,987	27,273
Departmental net financial position	5,645,528	(19,333,607)	24,979,135

Total liabilities

Total liabilities were $12.7 million at the end of 2013-14, a decrease of $22.6 million over the previous year's total liabilities of $35.3 million. This is mainly due to a reduction of obligations for employee termination benefits of $12.6 million and severance liability of $7.4 million. Salaries payable of approximately $3.3 million and employee severance benefits of approximately $5.7 million represented the largest portion of total liabilities.

Total net financial assets

Total net financial assets, comprised of accounts receivable, were $10.1 million at the end of 2013-14, an increase of $2.4 million over the previous year's total net financial assets of $7.8 million. This increase was primarily due to the increase in CGC user fees.

Total non-financial assets

Total non-financial assets are comprised of tangible capital and other assets. Tangible capital assets represented $8.2 million at the end of 2013-14, consistent with the previous year's total.

Financial Statements

Fiscal year 2013-14 CGC audited financial statements[xxv] are available on the CGC website. Once again, the CGC received an unqualified audit opinion of its annual financial statements. The CGC's 2013-14 financial statements include a link to the *Unaudited Annex to the Statement of Management Responsibility Including Internal Control over Financial Reporting, Fiscal Year 2013-14.* Audited financial statements are prepared in accordance with Section 6.4 of the Treasury Board of Canada's *Policy on Special Revenue Spending Authorities.*[xxvi]

Supplementary Information Tables

The supplementary information tables listed in the *2013–14 Departmental Performance Report*[xxvii] can be found on the CGC's website.

- Departmental Sustainable Development Strategy;
- Internal Audits and Evaluations;
- Response to Parliamentary Committees and External Audits; and
- User Fees Reporting.

Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the *Tax Expenditures and Evaluations*[xxviii] publication. The tax measures presented in the *Tax Expenditures and Evaluations* publication are the sole responsibility of the Minister of Finance.

Section IV: Organizational Contact Information

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Appendix: Definitions

appropriation: Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures: Include operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report: Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

full-time equivalent: Is a measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes: A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure: A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures: Include net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance: What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve and how well lessons learned have been identified.

performance indicator: A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting: The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending: For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1.

Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

plans: The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priorities: Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

program: A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

results: An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

Program Alignment Architecture: A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities: Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

Strategic Outcome: A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program: A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target: A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

whole-of-government framework: Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

i *Fair Rail for Grain Farmers Act*, http://news.gc.ca/web/article-en.do?mthd=index&crtr.page=1&nid=829579

ii CGC audited financial statements, http://www.grainscanada.gc.ca/cgc-ccg/cr-rm/crm-mrm-eng.htm

iii *Canada Grain Act*, http://laws-lois.justice.gc.ca/eng/acts/G-10/

iv Grain refers to any seed designated by regulation as a grain for the purposes of the *Canada Grain Act*. This includes barley, beans, buckwheat, canola, chick peas, corn, fababeans, flaxseed, lentils, mixed grain, mustard seed, oats, peas, rapeseed, rye, safflower seed, soybeans, sunflower seed, triticale and wheat. Solin was removed from the list effective August 1, 2013.

v Quality assurance program, http://www.grainscanada.gc.ca/quality-qualite/iaqm-mrsq-eng.htm

vi Quantity assurance program, http://www.grainscanada.gc.ca/quantity-quantite/iaqnm-mrsqn-eng.htm

vii Grain quality research program, http://www.grainscanada.gc.ca/research-recherche/iarm-mrsr-eng.htm

viii Producer protection program, http://www.grainscanada.gc.ca/protection-protection/iappm-mrspp-eng.htm

ix CGC website, http://www.grainscanada.gc.ca/cgc-ccg/cgc-ccg-eng.htm

x *Bill C-45*: http://www.parl.gc.ca/LegisInfo/BillDetails.aspx?Language=E&Mode=1&billId=5754371

xi Streamlining the operations of the CGC: http://www.grainscanada.gc.ca/legislation-legislation/cga-lgc/2012-eng.htm

xii CGC User Fees: http://www.grainscanada.gc.ca/consultations/2012/fees-frais/ufcpn-00-eng.htm

xiii Whole-of-government framework, http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx

xiv *Public Accounts of Canada 2014*, http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html

xv Quality Assurance Program: http://www.grainscanada.gc.ca/quality-qualite/iaqm-mrsq-eng.htm

xvi Quantity Assurance Program, http://www.grainscanada.gc.ca/quantity-quantite/iaqnm-mrsqn-eng.htm

xvii Gluten's role in bread baking performance, http://www.grainscanada.gc.ca/fact-fait/gluten-eng.htm

xviii Western Standards Committee Recommendations, http://www.grainscanada.gc.ca/gscommittee-comiteng/wcs-cno/wscr-rcng-eng.htm

xix Eastern Standards Committee Recommendations, http://www.grainscanada.gc.ca/gscommittee-comiteng/esc-cne/escr-rcne-eng.htm

xx Grain Quality Research Program, http://www.grainscanada.gc.ca/research-recherche/iarm-mrsr-eng.htm

xxi *Fair Rail for Grain Farmers Act*, http://www.parl.gc.ca/LEGISInfo/BillDetails.aspx?Language=E&Mode=1&billId=6477802

xxii Statistics about grain in Canada, http://www.grainscanada.gc.ca/statistics-statistiques/sim-rsm-eng.htm

xxiii *Blueprint 2020*, http://www.clerk.gc.ca/eng/feature.asp?pageId=354

xxiv *Destination 2020*, http://www.clerk.gc.ca/eng/feature.asp?pageId=378

xxv *CGC Financial Statements*, http://www.grainscanada.gc.ca/cgc-ccg/cr-rm/crm-mrm-eng.htm

xxvi *Policy on Special Revenue Spending Authorities*, http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?section=text&id=12248

xxvii List of Supplementary Information Tables, http://www.grainscanada.gc.ca/cgc-ccg/cr-rm/dpr-rmr/dpr-rmr-eng.htm

xxviii *Tax Expenditures and Evaluations* publication, http://www.fin.gc.ca/purl/taxexp-eng.asp